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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

May 7, 2014

Lantz Indergard  
Lisbon Valley Mining Company, LLC  
755 N. Main Street, Suite B  
PO Box 400  
Moab, Utah 84532

Subject: Updated Centennial Pit Backfill Evaluation, Lisbon Valley Mining Company, Lisbon Valley Copper Mine, M/037/0088, San Juan County, Utah

Dear Mr. Indergard:

The Division of Oil, Gas and Mining (Division) accepts your submittal of the Updated Centennial Pit Backfill Evaluation as supplemental information pertaining to the proposed amendment to backfill the Centennial Pit. The Division will consider it an appendix to the Waste Rock Sampling Plan, which is an appendix to the Notice of Intention to Commence Large Mining Operations (NOI). The Division believes the analytical results for both the previously required waste rock sampling and the pit backfill waste rock analysis, if required, should be consolidated into one annual waste rock sampling report.

Since this evaluation was requested by the Bureau of Land Management (BLM) to provide assurance that backfilling the pit would not cause adverse impacts to any aquifers in the area, the Division also believes that, in order to not complicate matters and/or prolong the approval process, the BLM should take the lead on reviewing and commenting on this evaluation. With due consideration, the Division will accept their conclusions in evaluating the amendment to the NOI to backfill the Centennial Pit. In that regard, the Division accepts the submittal with the following observations and comments:

- Since the Centennial Pit is partly on Trust Lands, SITLA needs to be copied on all submittals related to the Centennial Pit.
- The figures included in the Figures appendix appear to have been taken from the Centennial Pit Backfill proposed amendment to the NOI. The Division made comments regarding these figures during the last review of the proposed amendment. These figures do not show that any changes were made in response to those comments. The Division expects the comments to be addressed in the next submittal of the proposed amendment.
- A previous review comment asked if the final pit fill elevation of 6,200' amsl (10' higher than the pre-mining groundwater elevation) in Scenarios 1 & 2 accounted for settling and compaction of the fill material. This has still not been addressed. Please make sure this will be answered in the subsequent NOI pit backfill amendment submittal.

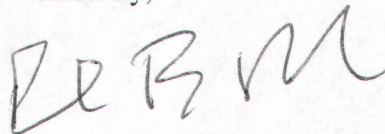


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- A copy of this evaluation should be submitted to the Ground Water Protection Program of the Utah Division of Water Quality for review and as an amendment or supplement to the mine's Ground Water Discharge Permit.
- A full review will be conducted by the BLM. If the evaluation report is modified in response to the BLM's comments, a revised copy should be submitted to the Division and to replace this report in the file.
- This evaluation has no impact on the current surety amount.

Please contact Mike Bradley at 801-538-5332 or me at 801-538-5261 if you have questions or concerns regarding this letter.

Sincerely,

A handwritten signature in dark ink, appearing to read 'P. Baker'.

Paul Baker  
Minerals Program Manager

PBB: mpb: eb

cc: Rebecca Doolittle, BLM Moab FO (rdoolitt@blm.gov)  
Joe Manning, BLM, Moab FO (jmanning@blm.gov)  
Jerry Mansfield, SITLA (jmansfield@utah.gov)

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